# Structural Redesign in an Organized Anarchy: Implications for Implementing Change

Anthony J. DiBella

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ANTHONY J. DIBELLA

Organization Studies Group
Sloan School of Management
E52-509, MIT
50 Memorial Drive
Cambridge, MA  02139

(617) 253-3857
(401) 885-3162

STRUCTURAL INFERENCE IN AN ORGANIZED ANARCHY:

IMPLICATIONS FOR IMPLEMENTING CHANGE

ANDREW J. PERELLA

Organization Studies Group
Sloan School of Management
M.I.T.
50 Memorial Drive
Cambridge, MA 02139

(617) 253-6617
(617) 253-2132

# I. INTRODUCTION

This paper presents data from a study of planned structural redesign to challenge several assumptions underlying theories of planned change (1). First, I describe and analyze the experience at Worldwide Action for Development (WW) to establish a divisional structure based on the location of its program offices. This case shows how directed change can evolve over the course of implementation and result in unanticipated outcomes. I then consider the implications for how planned change can be handled when circumstances undermine the validity of core assumptions about how or why organizations change.

A variety of theories have been developed and tested to understand and predict processes of planned organizational change. These models have evolved from different research traditions to emphasize diagnosis (Lawrence & Lorsch, 1969; Porras, 1987), intervention (Schein, 1969; Argyris, 1970), and change management (Nadler, 1981; Beckhard & Harris, 1987). We would expect the application of a particular theory of planned change to depend upon the type of organization, the design of the change intervention, and the circumstances that initiated it. Indeed most theorists are careful to include a situational or contingent component to their models recognizing that change is a fluid process which cannot be completely blueprinted and is not easily managed (2).

Yet these techniques presuppose a manager's desire and ability to articulate an organizational purpose or mission, or the end state of some change process. According to Beckhard & Harris, this provides a manager with a vision toward which to steer the organization; they use the analogy of the sailboat captain

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who works with the wind (forces affecting change) to reach the desired destination. There are several problems in describing the management of planned change in this way.

First, as any real sailboat captain knows: "any ole port in a storm will do". Plans and destinations are subject to change as the strength of the wind or sea and condition of the crew might dictate. Likewise, organizational change can get very tumultuous, whereupon surviving the process can become more important than reaching a particular final destination. What was initially desired or expected fades or is rationalized away as newer satisficing goals are found and accepted or justified.

Another problem is the extent to which organizations can, in fact, be steered. More often likened to garbage cans than sailboats, organizations may not be tightly integrated or sensitive to the manager's touch on the helm. Orders and directions may be given, but, as they filter through a loosely-coupled organization (Weick, 1976), they may be intentionally reinterpreted or unintentionally misperceived.

International development organizations like Worldwide meet the criteria for garbage cans or organized anarchies (Cohen, March & Olsen, 1972). First, the avowed goal of their work - development - is ambiguous and continually being reinterpreted by economists and social theorists. For some it is improved quality of life, for others economic opportunity or spiritual growth. Second, the technology to spawn development has made some strides during the last decade, especially in the field of health, but the strategies and tactics to solve

underdevelopment remain unclear, if not enigmatic. Third, the typical structure of such organizations with a centralized headquarters, dispersed field offices that implement projects, and networks of financial sponsors make for an open environment characterized by the shifting participation of its members.

A final critical problem with many theories of planned change is that they fail to build in an historical perspective (3). The emphasis is on how to move from a present to a future state. This blinds the OD theorist to the fact that the beginning point of some change project is arbitrarily chosen, since organizations and the people within them are always evolving. An historical perspective facilitates identification of the forces which have combined to enact the "present" state and guide the organization into its future.

## II. METHOD

The research for this paper is based on a four year, longitudinal field study of planned change at WW (DiBella, 1991). The data for this paper were collected at WW headquarters (HQ) and throughout its South American region using formal and informal interviews, participant observation, and content analysis. The eight HQ management staff (including the CEO) who were involved in planning and implementing the structural redesign were interviewed twice (4). Interviews were conducted with six of the seven staff principals in the regional office (RO) and with 12 of 13 Field Directors (FD) during three trips to Bolivia, Colombia, and Ecuador (5). Finally, the designer of the planned change was interviewed twice, once before the period of implementation and once after.

A major new role in the divisional structure was the Area Manager (AM). This was a pivotal position linking field operations to the RO and HQ. Two weeks were spent observing the three AMs at work; each AM was interviewed and observed at the RO and at Field Offices (FOs). Data were collected to understand their perspectives towards their roles and work techniques.

A wide range of internal reports and working papers that documented the evolution of the planned change were reviewed. They included job descriptions, plans of action, and procedures pertaining to coordination, reporting, budget-making, and conflict resolution. All correspondence between HQ and the RO was reviewed to identify issues of agreement and dispute. In addition, the author was given without solicitation copies of correspondence, some marked ´confidential´, that staff considered important to understanding what really went on (6).

III. REGIONALIZATION AT WORLDWIDE

A. The Structure of WW/International: The Way It Was

Established in 1942, Worldwide Action for Development (WW) is an international, non-profit organization that supports small-scale projects in education, health, and community development in 19 developing countries. It has 5,250 employees and an operating budget of $100 million U. S. dollars. Marketing offices in six developed countries solicit for contributions and government funds that are transferred to a headquarters office located in the United States. The majority of operating funds are received from over 400,000 individual contributors with the remaining 15% obtained from government sources. HQ is responsible for establishing and maintaining FOs to whom project funds are disbursed.

WW has had a simple organizational structure to operate and oversee field operations. Development projects are administered through FOs in Africa, Asia, and Latin America. Each FO is supervised by an expatriate FD who, regardless of the age, size, or location of the FO, reports directly to HQ. Figure 1 depicts WW/International's structure once described by a Personnel Director as an "inverted tack." It displays HQ's broad span of control and suggests how each FO incorporates all functions under the control of the FD.

FIGURE 1: STRUCTURE OF WW/INTERNATIONAL IN 1985



FIELD OFFICES (n = 70)
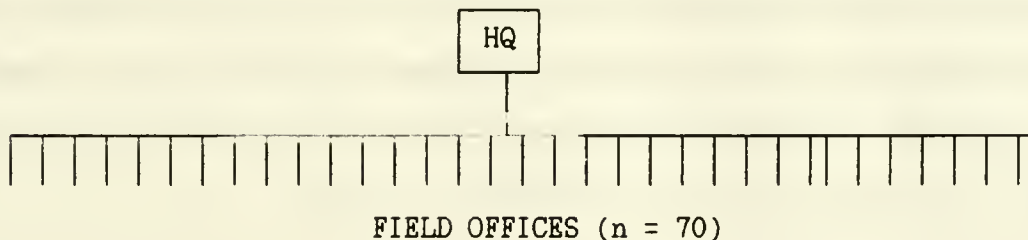
In 1985 each FD reported to a Program Coordinator (PC) at HQ, who was viewed not as a supervisor but as a partner to provide logistical support. The PCs were expected to visit each FO for two weeks per year. If problems, such as unaccounted for expenditures, occurred, PCs contacted the field or made additional visits. These served to provide the FD with counsel or explain WW's policies. Depending on the size of FOs, PCs handled anywhere from 8 to 14 FOs.

Although the PC's main task was interaction with the field, his or her presence at HQ required involvement in other activities. Those included, for example, keeping staff in the International Relations Department informed of field conditions and discussing the implications of FO audits with members of the Accounting Department. Such tasks limited the time a PC had to maintain contact

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with the FDs that reported to them.  The result was that responsibilities to the field could be overlooked.  This tendency was reinforced by an organizational belief that FDs should be able to function independently from HQ (7).

From 1973 to 1983 the number of families participating in WW's field programs grew by 287%, and the number of FOs increased from 13 to 42.  Yet HQ continued to use its flat structure to oversee field operations.  Some changes were made in job titles and numbers of PCs, but responsibilities remained relatively constant.  However, some program staff became concerned that the structure of roles no longer met the needs of the organization (8).  PCs were rarely able to meet the travel requirements of their positions and provide on-site support to FDs.  Also their administrative workload had increased, and PCs had less time to focus on the design and implementation of projects.

In September, 1983 two middle managers at HQ independently designed and proposed to their supervisor a new organization structure for HQ.  For the next year and one-half the need for and design of a new structure were deliberated in a series of meetings.  WW's CEO informed the Board of Directors of these discussions which authorized one of its own members to conduct a study; one of the ensuing recommendations was that WW establish regional field offices.

B.  What the Redesign Was Supposed To Be

The design of WW's structural change, which became known as "regionalization", was presented in a 1985 report prepared by James Peters, a former employee of McKinsey who had once served as Chairman of WW's International Board of Directors.  His analysis, based on interviews with staff and his own knowledge

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of WW, identified two major organizational problems.  First, there was a lack of management control, oversight, and accountability of field operations.  Peters described the working relationship between FDs and their PCs as overly collegial where too much value was placed on amicability and avoiding confrontation.

Contributing to this management style were the few promotional opportunities for field staff.  Staff were hired only at the Assistant Director level with the expectation that they would be promoted to Field Director in 2-3 years.  However, once that level was attained, the chance for further advancement was limited. Neither Peters nor field staff considered the PC position a promotional appointment since it entailed lowered financial rewards and they had little authority at HQ to set policy or to control decisions made in the field.

PCs were assigned to HQ with the understanding that after four years they would rotate back to the field.  This generated a reluctance on the part of PCs to limit the authority of FDs since ultimately this would affect them when they returned to the field.  It also made PCs reluctant to be demanding of FDs (by raising questions about decisions or expenditures, or criticizing the design of their projects) since the roles could be reversed in the future.  Peters described the essence of this relationship with the phrase "don't piss on my parade and I won't piss on yours".

What Peters desired for WW was a change in the organizational structure that would address these problems.  His intent was that WW create a new structural unit, the Regional Office, that would operate in a hierarchy between HQ and Field Offices.  He described this as a Divisional based operational unit that

integrated functional responsibilities.  ´Regionalization´ would thus result in an organizational structure illustrated in Figure 2.

FIGURE 2: NEW DIVISIONAL STRUCTURE FOR WW/INTERNATIONAL

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                        ┌───────────┐
                        │    HQ     │
                        └───────────┘
                              │
        ┌─────────────────────┼─────────────────────┐
┌───────────────┐     ┌───────────────┐     ┌───────────────┐
│ LATIN AMERICA │     │     ASIA      │     │    AFRICA     │
│    REGION     │     │    REGION     │     │    REGION     │
└───────────────┘     └───────────────┘     └───────────────┘
   ┌──┬──┬──┐           ┌──┬──┬──┐            ┌──┬──┬──┐
   │  │  │  │           │  │  │  │            │  │  │  │

  (field offices)      (field offices)      (field offices)
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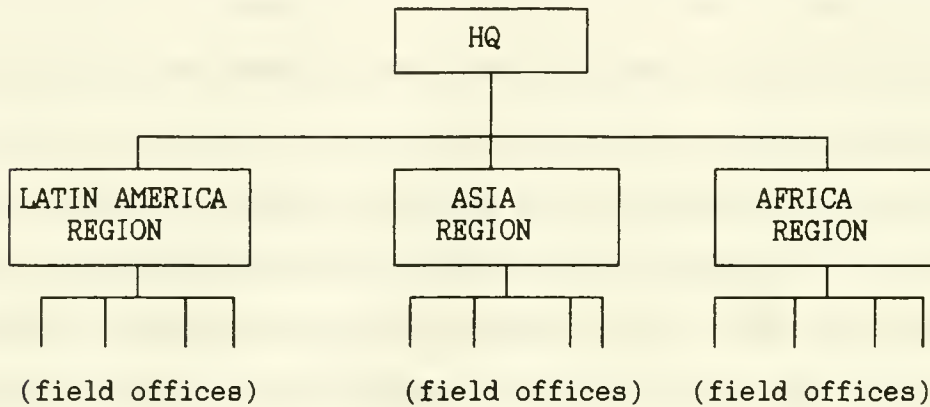
This structure represents a classical hierarchical design.  The Regional Office would be closer to field operations and thus better able to monitor and control FO activities (9).    It would  integrate  functional  responsibilities  in  a divisional structure maintained by a Regional Director and Area Managers; these would be new roles to provide permanent, promotional opportunities for FDs.


C.  What WW Got

In November, 1986 WW´s Board of Directors approved Peters´s design for the structural change and funds to create one region.  Immediately after, plans were made to select and train staff and to open the South America Regional Office (SARO) in Ecuador by July, 1987.  During this period questions arose about the intent of Peters´s design and the discretion staff had to alter it.  For example, should the job description for the AM emphasize support or supervision of FDs? To whom would the Regional Director report?  What would be the relationship

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between technical staff in HQ and in SARO? As these and other issues were discussed and resolved, the form of WW´s redesign changed. Subsequently, once the regional office was opened, further modifications occurred.

The result of these changes and the experience of implementation differed from Peter´s and WW staff´s initial intent. First, WW maintained four direct and independent reporting lines from the RO to HQ. The Regional Director reported to the Program Director, the Regional Administrator reported to the International Controller, the Regional Auditor reported to the Assistant Controller, and the MIS Coordinator reported to the MIS Director. The plans of action for regional staff were approved and evaluated by their counterpart supervisors at HQ.

Second, regional staff could not act autonomously from HQ. For example, priorities for South America were not established by staff in SARO but by staff in HQ. Decisions about allocating funds to FOs were still controlled by HQ in accordance with procedures established by the CEO and the Board of Directors. Resolving conflicts that occurred within the RO was a responsibility of HQ staff. If the Regional Auditor and Regional Director disagreed on the implications of a Field Office audit, their supervisors at HQ would resolve any differences.

Despite the creation of an organizational tier between HQ and the field, HQ staff continued to communicate directly to FOs in South America. In creating the RO, staff were concerned that regionalization not become a bottleneck for communications to the FOs or that WW become more bureaucratic. There was a reluctance to have all communication from HQ to FOs pass through the RO, so HQ continued to interact directly with FOs. However, in that process the RO became

redundant in establishing and disseminating procedures.

These circumstances created the experience of a structure depicted in Figure 3, which was shown to 9 FDs (from a total of 13) in the region and 4 RO staff (from a total of 6). All agreed that it reflected WW's experiment to regionalize. Without the capacity to integrate responsibilities, determine its own priorities, allocate resources, or resolve conflict, SARO did not perform as an autonomous, new actor within the organizational hierarchy with clearly defined authority. Instead, it functioned as a locale where independent HQ functions were replicated to handle responsibilities for a particular geographical region. Characteristic of this arrangement was that RO staff experienced the same conflicts and frustrations between functional units that were experienced at HQ.

### FIGURE 3

### STRUCTURE OF WW/INTERNATIONAL AFTER ONE YEAR OF REGIONALIZATION



(FOs in South America)          (FOs in Africa & Asia)
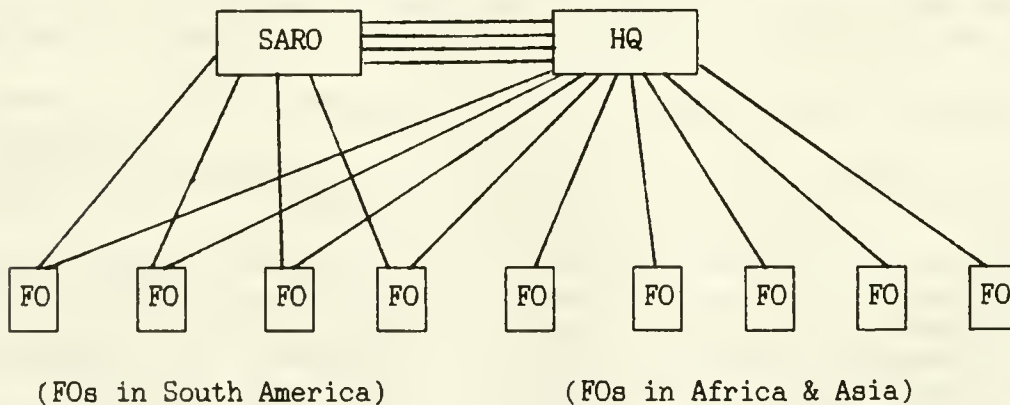
At HQ the coordination of priorities was the domain of the CEO, but no one in the RO had a similar role. Thus what WW ended up with was a hybrid structure in which no one was clear about the authority of regional staff. Instead of

performing tasks at a regional level that could not be done at HQ, such as locating and sharing regional resources, SARO staff found themselves carrying out HQ's priorities, like enforcing administrative procedures. Despite 18 months spent planning regionalization, the outcome was confusion in the field, frustration for SARO, and uncertainty at HQ.

D.  Why the Planned Change Shifted

The shift in WW's redesign could be dismissed as another case of organizational foolishness (March, 1981) but that tells us little about the specific forces acting on WW's change process. The principle factor identified from the interview data at all three levels (HQ, RO, FO) of the organization was that there was no common version of the what (what the planned change would be), the why (why it was needed), and the how (how it would work) of regionalization. These differences led to a series of staff actions and reactions during the implementation period that were unintended or not communicated.

### TABLE 1: STAFF PERCEPTIONS OF THE PLANNED CHANGE

|  | HQ | RO | FO |
|---|---|---|---|
| What It Was | Decentralization of Authority | Create Regional Identity & Administration | Centralization of Authority |
| Why It Was Needed | Lack of Control Over Field | Communications Gap Between HQ & FOs | Lack of Support From HQ |
| How It Would Work | Better Enforcement of Policies | Solve Regional Problems | Provide Closer Support |

Table 1 outlines the perceptions of staff towards the planned change. Staff at different levels had their own image of WW's structure and what regionalization

was. Multiple views also existed of the problem that structural change would solve and why it was needed. Finally, there were multiple views of how regionalization would actually solve the problem. Regionalization can mean anything you want it to mean, and for WW staff it meant many different things. This occurred despite on-going efforts by management to follow a common OD prescription of developing a shared vision of the change.

Contributing to the mixed images regarding structural change was that in the middle of planning regionalization WW's CEO, who had led the organization for 13 years, made a surprise announcement of his intention to retire (10). He was replaced by an individual with international business experience but none in development or non-profit organizations. When interviewed, he claimed that the Board selected him due to its desire to increase administrative and financial control over field staff. He requested that regionalization be postponed until he had made an assessment of its need, but the Board refused claiming that their decision had been an organizational one independent of who was the CEO. During the first year of regionalization the new CEO established new administrative policies that changed the operational environment in which WW's planned change was implemented (11). This led to further uncertainty and disparity among staff on the what, why, and how of its structural change.

IV. IMPLICATIONS FOR IMPLEMENTING ORGANIZATIONAL CHANGE

A. Theoretical Lessons from Implementing Change at Worldwide

The experience at WW provides theoretical implications for efforts at planned change. The first proposition (P1) to emerge is that **planned, directed change in organized anarchies cannot presuppose that a shared vision of the change goal**

**will develop.** Organized anarchies are supposedly based on shared values, yet international development organizations as multi-tiered, loosely coupled bureaucracies propagate action on the basis of different perceptions. Definitions and objectives of change are reinterpreted or misperceived as they move down or across the organization. A common vision either of the change objectives, processes, or more fundamentally, organizational goals cannot be assumed. Change that involves functions or responsibilities across subsystems will be especially problematic.

**P1a: The more uncoupled the organization, the greater the likelihood of an emergent structure that is divergent from the aim of the planned change.** Realizing a blueprinted change becomes dubious as the diagnosis for and comprehension of change vary across subsystems. Plans are acted upon and reconceptualized as they are experienced on the basis of different interests and perceptions. In an organization with ambiguous goals and slack performance criteria this can easily lead to an informal structure that deviates significantly from what is explicitly sought. Time spent building consensus and attending to process issues will be necessary but have limited impact due to the structural constraints imposed by an uncoupled organization.

At WW as the roles of staff, the Board, and the CEO changed over time in their contribution and responsibility for regionalization, so did the shaping of the formal and informal organizational structures. The progression from Figures 2 to 3 shown above indicates how plans can be acted upon when placed in their operational context. Such plans take on a fickle existence subject to the actions of a variety of organizational actors. Contrary to Beer, Eisenstadt,

and Spector's claim (1990), the problem is not that change programs don't produce change, but that they lead to change in unexpected and uncontrollable ways.

**P2: To guide planned change in organized anarchies, pertinent information may be available to managers but will have limited use.** This is especially problematic when the technology of production is unclear and decisions about the allocation of resources are based on ideology and belief systems. First, managers are too engaged in real-time decision-making and problem solving to reflect on what is actually going on. Consequently, they become captive of their own assumptions and theories in use. They discount information provided from dissonant organizational tiers, perceiving such input as not fitting their own models of what is or should be happening. Second, even when staff are prepared to change plans or policies, information may be irrelevant or out of date by the time it is used in decision-making. A problem with information made available through formal feedback loops is that it may reduce the use of informal or irregular feedback.

**P2a: While initially serving as a means to some desired end, the plan for organizational change becomes an end in itself.** During implementation the focus of staff shifts from the desired end of the change process to the means or plans they have devised. Meanwhile, the usefulness of plans decreases over time due to changes in the validity of underlying assumptions. The longer the period of time over which change is to occur, the greater the likelihood that the initial change plan will become irrelevant. Also, the more comprehensive the planned change, the larger the number of premises that become invalid. Absent a clear vision of the change target, staff focus on the achievement of the initial plan

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as the major objective.  As planned change becomes chaotic, managers cling to outdated plans to enhance their sense of security.

**P3: Intended, mimetic changes at one level of the organization will be perceived as coercive changes at another level.**  Powell & DiMaggio (1983) discuss three isomorphic processes that lead organizations to change and become similar. While these processes are described as inter-organizational or institutional, they, in fact, lead to intra-organizational dynamics which create resistance to change. At WW the shift to a divisional structure was recommended by an external management consultant and implemented by a new CEO who were both familiar with such structures in other industries.  This mimetic shift was experienced by field staff as a form of coercive change.

B.  Implications for Practice

At the start of this paper three assumptions underlying theories of organizational change were questioned: (1) the presence of a clear vision or direction for change, (2) the ability of organizations to be steered in the direction of that vision, and (3) the ability to identify a starting point for planned change.  The lesson from the experience of change at WW is that managers cannot presume these three conditions.  This does not suggest it is useless to initiate change, but that managers must recognize the dynamics of change and the constraints of the environments in which they operate.

Managers should not confuse "apparent" direction, however that is measured or detected, from the "true" direction of change.  This requires understanding where the organization has been, how it functions, and how the combination of

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direct and undirected forces moves the organization a particular way. That leaves unanswered the issue about where the organization is ultimately headed and what destinations will be visited along the way. That can only be validated once implementation has begun, and as it evolves.

Unfortunately, the starting point for change implementation is an artificial one. At Worldwide the official start of regionalization was when SARO opened in July, 1987. However, its structural redesign, first considered in discussions among HQ staff, was shaped by several prior events including the issuance of Peters's report and the subsequent effort by staff to translate his design into tactics. The result was that there was no one, unambiguous change that was impermeable and then implemented. Redesign not only creates change but is itself changed leaving no clear beginning or ending point.

The fluidity of the change process does not mesh with the cultural orientation of many American managers to be in charge and control outcomes. Thus the following guidelines are offered as ways for managers to deal with the dynamics of planned change:

1. Strategic changes, including organizational redesign, are based on an assessment of an organization at a particular point in time. As conditions evolve, the assumptions upon which a strategy was developed become outdated, thus jeopardizing the feasibility of a plan predicated on those assumptions. Don't insist on keeping to a plan when circumstances have changed.

   One way in which conditions change is through turnover in key personnel. Try to avoid that, especially a transition to a new CEO in the middle of a change effort. If this can't be avoided, re-examine the need and shape of the planned change.

2. Don't get carried away with the need to plan. Events will occur over time to make plans irrelevant, inappropriate, or worse yet constraints on doing what should be done in the present. The more time spent planning, the more staff may be committed to following a plan despite its irrelevancy.

3. Don't constrain the adaptation of planned change. Allow methods to evolve to achieve the same ends in different or changing contexts. Recognize that change is shaped to the culture of the organization and its external environment.

4. Implementing change is a more demanding task than determining what the change should be. It is where theory and reality meet. Change implementation is a process of on-going interpretation which becomes especially chaotic in culturally diverse or loosely-coupled organizations. Managers need to understand the forces shaping the interpretation process to better oversee the change process. This requires that managers see beyond their own biases to recognize the perceptions of others. Don't deny the legitimacy of descriptions and explanations of what is happening that differ from your own. This will be interpreted as a form of control; and the manager risks alienating those staff who must implement change.

5. Don't get fooled or misled by early agreement or lack of disagreement. Initial agreement can give a false sense of security about the potential for problems later on. Initial consensus can easily break down in decoupled systems as key players interpret new events in different ways leading to varied re-interpretations of objectives and methods.

6. Changing old roles is a more demanding task than creating new ones. There is a natural tendency when adding new roles and layers to focus attention on them. Established roles must change in order for new ones to find their place within a shifting structure.

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1. Pseudonyms are used throughout to preserve confidentiality. Also certain descriptive characteristics of Worldwide have been altered. The setting of this research provides an opportunity to consider the validity of organizational change theories in a milieu that has not been heavily studied from within. This occurs despite the fact that the goal of such organizations, third world development, continues to be elusive. The apparent failure to solve, once and for all, the problem of underdevelopment fuels an on-going dialogue among scholars and practitioners. The results have been calls for the termination of aid, new paradigms such as privatization, and various political initiatives. One of the areas for these deliberations has been the non-governmental (NGO) sector. Within the international development community independent, non-profit organizations involved with development are known as NGOs. In the United States they are referred to as PVOs - private voluntary organizations. Pressure on this sector to take a more ´professional´ approach to development has led to greater scrutiny of and interest in NGO activities (Sommer, 1977; Tendler, 1982; Korten, 1984; Chambers, 1985). The most recent twist has been an increased focus on development management and how to apply concepts of organization theory (Bryant & White, 1982; Rondinelli, 1982; Brown & Covey, 1987; White, 1987).

Little empirical research has been conducted that assesses the validity of organization theories for the management of international development. To what extent are concepts and theories developed in product, for-profit organizations and industries that operate using rational production technologies applicable to an industry that is service oriented, non-profit, and whose very object - development -is itself an enigma? I would be amiss if I failed to recognize that organization theories have been developed from empirical research done in non-industrial settings. See, for example, Blau (1963), Perrow (1963), and Simon (1976). Also the concepts of March and Simon (1958) and Cohen & March (1986) pertaining to bounded rationality and organized anarchies do incorporate the realities of non-profit, service oriented organizations. However, the organizational models being imported into the NGO sector are based on classical and bureaucratic theories of organizations.

2. For example, Beckhard & Harris discuss (p. 116) how the management of change is an art and depends on a manager who can buffer and work through and around various change forces. They recommend a mapping of environmental forces, a technique that is consistent with Porras´s stream analysis.

3. This shouldn´t be surprising. Most OD consultants are expected to help organizations deal with present transitions rather than understand what has happened in the past. This results from the manager´s priority in solving short-term problems, which in turn orients the OD consultant´s action research focus.

4. The first interview was exploratory and lasted from one to two hours. A standard list of topics was covered but the discussion was allowed to unfold depending upon the role, interests, and revelations of the respondent. The second interview, conducted three months later, was shorter and was used to present tentative findings and solicit respondent confirmation or qualification.

Staff interviews in South America were conducted in a similar manner. However, since subsequent access to these respondents was limited, those interviews were longer, lasting from 2-4 hours on average. In a few cases an entire day was spent at a FO to interview the FD and in some occasions members of his/her staff.

5. I also had access to a series of transcribed interviews conducted between WW's South American FDs and the Director of Regionalization which took place at a regional conference six months after the opening of the RO. I sat in on these interviews, silently taking notes and making my own observations.

6. This information source was handled with more than the usual care and skepticism as staff tried to share or convince me of their own dilemmas or experiences. Still it was helpful in developing an overview of those issues or incidents that staff felt were critical in understanding their experience with the new organization structure.

7. A fundamental aspect of WW operations has been the autonomy of FDs to manage the strategic and operational aspects of running a FO. As long as an FD was seen from HQ as following procedures and disbursing funds for activities consistent with organizational objectives, he or she received little direct supervision from HQ. However, a source of conflict which may arise in any hierarchical organization is that staff at these two levels of operation view their roles and their contribution toward meeting the organization's mission differently. This is reinforced by the distance between HQ and the field and the differences in work environments. This organizational trait was especially pronounced during WW's early years before international phone service was readily available and the more recent onset of telex and fax machines. While communications are now greatly improved, the authority and autonomy of the FD has continued to be highly valued.

8. This development corresponds to Chandler's notion (1962: 15-16) that managers change their corporate strategies (and subsequently their structures) because of their felt need for internal change to address new conditions and opportunities.

9. This structural change, which added a layer of management, took place at a time when management forecasters (for example, see Drucker, 1988) were predicting flatter, less hierarchical organizations. Yet WW's experience was not unique since other PVOs (Save the Children, World Vision) were likewise developing regional structures. This suggests that the trend for flatter structures is simply a trend in theory or pertains only to certain industries or organizations.

10. There had been only three different CEOs over the course of WW's nearly fifty year history. Thus this announcement and the subsequent transition were major events.

11. The new CEO justified those changes by claiming that he was merely implementing the Board's wishes. Yet in confidential interviews and open forums several Board members denied that this was their intent.

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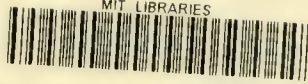
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